

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Klipsch Audio Technology

Arkansas Manufacturing Solutions

Klipsch Audio Technology Implements Process Improvements

Client Profile:

Klipsch Audio Technology is a producer of loudspeaker systems. The company's primary domestic manufacturing facility, located in Hope, Arkansas employs 60 people.

Situation:

Much of Klipsch's production was outsourced, and the possible closure of any manufacturing facility was always a possibility. The Klipsch plant in Hope, Arkansas had been successful in applying the Lean manufacturing philosophy and methodology, with some assistance from Arkansas Manufacturing Solutions (AMS), a NIST MEP network affiliate. In its continuous improvement effort to thwart efforts from competition in Asia, it had realized many improvements over the years in its manufacturing operations. Klipsch had some issues on the Warranty Return Line which experienced increasing volume as a result of business changes to include processing of returns of products not manufactured at the Hope plant. Klipsch requested AMS' assistance to assess this line and provide improvement implementation suggestions.

Solution:

AMS worked with Klipsch personnel to 'value stream' the line and to identify various wastes that should be eliminated and improvement that should be considered. AMS also pointed out several concerns on the production line, and provided potential solutions to Klipsch personnel for consideration. As a result of AMS's assistance, the company has identified many projects which have avoided costs and resulted in savings. With the Warranty Return Line improvement effort, Klipsch was able to avoid expenses and implemented a competitive Lean Process Warranty Return Line.

Results:

* Avoided \$3,000 in unnecessary investments.

Testimonial:

"We consider AMS to be a strategic partner in our long range efforts to remain a viable U.S. manufacturer. We have worked with several different project managers in environment, safety, quality and Lean as we strive to continuously improve and remain competitive in the audio industry."

Donna Garner, Manufacturing Services and Human Resource Manager